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SUBJECT: IRAQI REFUGEES: AMBASSADOR FOLEY ASKS ARAB LEAGUE TO
CONSIDER BURDEN-SHARING

Sensitive but unclassified, not for Internet distribution.

¶1. (SBU) Summary: Senior Coordinator for Iraqi Refugee Issues James Foley pressed Arab League Chief of Staff Hisham Youssef on March 24 for Arab League member states to pledge financial commitments for Iraqi refugees at the March 29 Arab League Summit in Damascus. He noted that refugees, particularly in Syria and Jordan, are facing worsening conditions and could pose stability issues for the hosting countries, Iraq itself and the entire region. Youssef replied that Gulf countries, specifically Kuwait and the UAE, are ready to provide funds, but are waiting for the Iraqi government to do so first. Youssef noted Foley's suggestion of encouraging Gulf countries to announce "matching" pledges - conditional on commensurate pledges from the GOI - as a point of pressure. Youssef reported that the Arab League has an initiative to provide funding for education and health services for Iraqi refugees, and that resettlement of 2000 Palestinians from Iraq to Sudan was delayed due to Sudanese "exaggeration" of the costs involved. End summary.

Foley Presses For Arab Pledges

¶2. (SBU) Senior Coordinator for Iraqi Refugee Issues James Foley met with Arab League Chief of Staff Hisham Youssef on March 24 to push for Arab League member states pledges of financial support to Iraqi refugees at the March 29 Arab League Summit in Damascus. Ambassador Foley underscored that the almost two million refugees, mostly middle class Iraqis currently in Syria and Jordan, are depleting their savings and face a growing financial burden, causing social problems such as prostitution and child labor. He noted that, if unchecked, this trend could pose stability issues for host countries, Iraq itself, and the entire region. Although the number of refugees is not growing, as countries have closed their borders to new cases, current refugees are in dire need of assistance.

¶3. (SBU) Foley pointed out that the U.S. has contributed USD 200 million out of the total of USD 900 million in UNHCR, ICRC and other appeals for Iraqi refugees, but that except for USD 10 million from the UAE, the Arab world has contributed very little. He said that he would be seeking more funds from Gulf states and from Iraq itself in his trip during the coming week. In particular, the GOI should give more than the USD 25 million it has pledged for its neighbors for refugee assistance. Foley noted that he would also be seeking assistance from the EU and European governments, but that there is a growing false perception among Europeans that Iraqi refugees' needs are being adequately met.

Gulf Arabs Ready, But Waiting For Iraqi Leadership

¶4. (SBU) Youssef responded that Iraqi refugees will be discussed at the Arab Summit but downplayed expectations. He said that Gulf Arab states, in particular Kuwait and the UAE, are already poised to make substantial contributions, but are waiting for the GOI to lead by

example. He was concerned that Foley planned to visit the Gulf prior to Iraq in Foley's upcoming trip, as the Gulf countries were not prepared to contribute without firm commitments from the GOI to also do so. He also confirmed that the prevailing view among Arab publics was that Iraqi refugees are not in need (given GOI resources), particularly when compared to Palestinians and Darfurians, and that requests for contributions often fell on deaf ears.

¶ 15. (SBU) Foley countered that the USG would seek commitments from the Gulf as leverage to obtain movement from the GOI. He suggested the Arab League support the idea of "matching" pledges - where Gulf or other member states would announce substantial pledges at the Arab Summit conditional on commensurate pledges from Baghdad - to put the GOI on the spot.

¶ 16. (SBU) Youssef was interested in the idea, but said that the GOI "is not serious" about the refugee issue and noted that Iraqi Prime Minister Maliki remains the key person to convince. Youssef commented sympathetically that Maliki - who will not be attending the Arab Summit - faces "bigger problems" at home. However, he said that the Iraqi Foreign Minister had admitted that the previously pledged USD 25 million for Iraq's neighbors was not enough - indeed Jordan had refused its USD 8 million as not even worthwhile given its "USD 2 billion" in expenditures on Iraqi refugees. The Foreign Minister pledged on a separate occasion only an additional USD 25,000 from Iraqi MFA available funds, Youssef said, an insulting offer greatly exceeded by one Saudi woman who privately pledged USD 100 thousand.

Arab League Working On Alleviating Social Ills

¶ 17. (SBU) Youssef said that the Arab League is attempting to support health care and education for Iraqi refugees in Syria, Jordan, and Egypt, with funding particularly from Gulf states. The Syrians have expressed growing alarm over increasing social ills among Iraqi refugees, he explained, and are particularly keen as Iraqi refugees have increased Syria's population by a full ten percent.

Delays in Resettling Palestinians from Iraq to Sudan

¶ 18. (SBU) Youssef reported a delay in resettling 2000 Palestinians from Iraq to Sudan, as the Sudanese government had "exaggerated" the costs, requiring the Arab League to make an independent assessment of costs before moving forward. Youssef mentioned a separate effort to resettle some additional Palestinians in Iraq to Yemen (NFI). Foley also encouraged Youssef to press the Syrians to accept 300 Palestinians in the border camp of "Al Hul" into Syria.

¶ 19. (U) Ambassador Foley cleared this message.
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